

OREGON STATE BAR
Legislative Proposal

RE: Oregon Uniform Transfer to Minors Act

FROM: OSB Estate Planning Section

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This bill would amend ORS 126.805 to 126.886.

1. PROBLEM PRESENTED

The Oregon Uniform Transfers to Minors Act (the Act), ORS 126.805 to 126.886 allows, in ORS 126.872, transferors of custodial property to delay transfers to the beneficiary until the beneficiary attains age 25. However, most of the Act refers to the beneficiary as a minor (defined for purposes of the Act to be a person who has not attained age 21), and the Act is not clear as to whether a transfer to a beneficiary who has attained age 21, but has not attained age 25, is possible.

2. SOLUTION

The proposed amendment substitutes the word “beneficiary” for the word “minor” where appropriate in the Act, and makes clear that a beneficiary may be an adult where the transferor of custodial property specifies a delayed transfer as that term is used in ORS 126.872.

3. PUBLIC POLICY IMPLICATION

The proposed amendment will clarify the intent of the Oregon Legislature in allowing transferors of custodial property to specify that the custodial property may be kept in a custodianship until the beneficiary attains age 25.